

DENTONS US LLP
601 SOUTH FIGUEROA STREET, SUITE 2500
LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

1 Clinton E. Duke, *pro hac vice application forthcoming*
2 clinton.duke@dentons.com
3 John R. Richardson, *pro hac vice application forthcoming*
4 john.richardson@dentons.com
5 DENTONS DURHAM JONES PINEGAR P.C.
6 111 S. Main Street, Suite 2400
7 Salt Lake City, UT 84111
8 (801) 415-3000

7 Nicholas B. Janda (SBN 253610)
8 nick.janda@dentons.com
9 DENTONS US LLP
10 601 South Figueroa Street, Suite 2500
11 Los Angeles, CA 90017
12 (213) 623-9300
13 *Attorneys for Plaintiffs*

13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION**

16 Zerorez Franchising Systems, Inc., a
17 Delaware Corporation, Zerorez, Inc., a
18 Delaware Corporation, and Z
19 Intellectual Property Holding Company,
20 LLC, a Utah limited liability company,

21 Plaintiffs,

22 vs.

23 Zero Residue Carpet Cleaning,
24 0Residue Carpet Cleaning, Genesis
25 Carpet & Upholstery, Dquan Hoskins,
26 Nathan Levy, Josue David Cortez
27 Amaya, Oren Livene, and Ofir Asis,

28 Defendants.

Case No. 8:24-cv-00567

COMPLAINT

(Jury Trial Demanded)

1 Plaintiffs Zerorez Franchising Systems, Inc. Zerorez, Inc. and Z Intellectual
2 Property Holding Company, LLC (“Zerorez” or “Plaintiffs”) bring this action against
3 Zero Residue Carpet Cleaning, 0Residue Carpet Cleaning, Genesis Carpet &
4 Upholstery, Dquan Hoskins, Nathan Levy, Josue David Cortez Amaya, Oren Livene,
5 and Ofir Asis (collectively, “Defendants”) for injunctive relief and damages under
6 the trademark laws of the United States and under the laws of the State of California.

7 **JURISDICTION AND VENUE**

8 1. This action arises under the trademark laws of the United States,
9 15 U.S.C. § 1051, *et seq.*, particularly under 15 U.S.C. §§ 1114 and 1125, as well as
10 under California unfair competition law and the common law of trademark
11 infringement, passing off, and unfair competition. The Court has jurisdiction
12 over the federal claims under 28 U.S.C. §§ 1331 and 1338, and 15 U.S.C. §§ 1116,
13 1121, and 1125. The Court has supplemental jurisdiction over the state law claims
14 under 28 U.S.C. §§ 1367(a) and 1338(b), those claims being so closely related to the
15 substantial federal trademark claims that they form part of the same case or
16 controversy and derive from a common nucleus of operative fact.

17 2. The Court has personal jurisdiction over Defendants because a
18 substantial part of Defendants’ acts giving rise to Zerorez’s claims occurred in
19 California.

20 3. Venue is proper in this judicial district under 28 U.S.C. § 1391(b)
21 because a substantial part of Defendants’ acts giving rise to Zerorez’s claims occurred
22 in this judicial district, and Defendants are otherwise subject to the Court’s personal
23 jurisdiction with respect to this action. Specifically, Defendants are offering their
24 services under Zerorez’s trademarks in this judicial district.

25 **PARTIES**

26 4. Zerorez Franchising Systems, Inc. is a Delaware Corporation, with its
27 headquarters in Pleasant Grove, Utah and works with Zerorez franchises across the
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1 country including in this district. A Zerorez franchise is located in this district at
2 17815 Sky Park Circle, Suite C, Irvine, California 92614.

3 5. Zerorez, Inc. is a Delaware Corporation with its headquarters in Pleasant
4 Grove, Utah and is the parent company of Zerorez Franchising Systems, Inc.

5 6. Z Intellectual Property Holding Company, LLC is a Utah limited
6 liability company and holds the intellectual property of Zerorez, Inc. including its
7 trademark registrations.

8 7. On information and belief, Zero Residue Carpet Cleaning is a California
9 company with its principal place of business at 27444 Camden Suite 5C, Mission
10 Viejo, CA 92692.

11 8. On information and belief, 0Residue Carpet Cleaning is a Nevada
12 company with its principal place of business at 925 Las Vegas Valley Dr. Suite D,
13 Las Vegas, NV 89109.




14 9. On information and belief, Zero Residue Carpet Cleaning and 0Residue
15 Carpet Cleaning are affiliated with each other and are owned or operated by the same
16 individuals or entities.

17 10. On information and belief, Genesis Carpet & Upholstery is a Nevada
18 company with its principal place of business at 925 Las Vegas Valley Dr. Suite D,
19 Las Vegas, NV 89109 and is one of the several carpet cleaning businesses in
20 California and Nevada that provide carpet cleaning technicians that pose as Zerorez
21 carpet cleaning technicians.

22 11. On information and belief, Dquan Hoskins is an individual residing in
23 Mission Viejo, California.

24 12. On information and belief, Nathan Levy is an individual residing in Las
25 Vegas, Nevada.

26 13. On information and belief, Josue David Cortez Amaya is an individual
27 residing in Las Vegas, Nevada.
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MARK	REG. DATE	GOODS/SERVICES
ZEROREZ US Reg. No.: 2912417	Dec. 21, 2004	Class 37: Carpet and fabric cleaning, namely the cleaning of upholstery, fabric, non-wood hard surface floors, and air ducts
 US Reg. No.: 2912416	Dec. 21, 2004	Class 37: Carpet and fabric cleaning, namely the cleaning of upholstery, fabric, non-wood hard surface floors, and air ducts
 US Reg. No.: 5566972	Sept. 18, 2018	Class 37: Carpet cleaning; rug cleaning; air duct cleaning services; carpet, fabric, floor and surface cleaning, namely, the cleaning of carpet, upholstery, fabric, tile, grout, glass, countertops, stone surfaces, wood surfaces, enamel surfaces, door knobs, mirrors, mattresses, stove top surfaces, stainless steel surfaces, non-wood hard surface floors, non-wood hard surfaces, and air ducts
 US Reg. No.: 5705160	Mar. 19, 2019	Class 37: Carpet cleaning; rug cleaning; air duct cleaning services; carpet, fabric, floor and surface cleaning, namely, the cleaning of carpet, upholstery, fabric, tile, grout, glass, countertops, stone surfaces, wood

		surfaces, enamel surfaces, door knobs, mirrors, mattresses, stove top surfaces, stainless steel surfaces, non-wood hard surface floors, non-wood hard surfaces, and air ducts
ZERO RESIDUE US Reg. No.: 4577711	July 29, 2014	Class 37: Carpet and fabric cleaning, namely, the cleaning of upholstery, fabric, non-wood hard surface floors, and air ducts
NO RESIDUE US Reg. No.: 4577715	July 29, 2014	Class 37: Carpet and fabric cleaning, namely the cleaning of upholstery, fabric, non-wood hard surface floors, and air ducts
RESIDUE FREE US Reg. No.: 4878853	Dec. 29, 2015	Class 37: Carpet and fabric cleaning, namely, the cleaning of upholstery, fabric, non-wood hard surface floors, and air ducts

21. True and correct copies of the registrations for the above-listed marks are attached hereto and incorporated herein as Exhibit A.

22. As a result of the Zerorez Registrations and continuous use of the Zerorez Marks in connection with the Zerorez Services, Zerorez owns valid and subsisting federal and common law rights in the Zerorez Marks.

23. Zerorez has invested substantial time, money, and resources in marketing, advertising, and promoting the Zerorez Services under the Zerorez Marks and has thereby developed extensive recognition and valuable goodwill in its Zerorez Marks. Zerorez was marketing, advertising, and promoting the Zerorez Services using the Zerorez Marks as early as 2003.

1 24. As a result of widespread use and promotion, the Zerorez Marks are
2 famous among the general consuming public.

3 Defendants' Business & Infringement

4 25. On information and belief, Defendant Zero Residue Carpet Cleaning is
5 a California company that promotes carpet cleaning and other surface cleaning
6 services in this jurisdiction using Zerorez's trademarks.

7 26. On information and belief, Defendant 0Residue Carpet Cleaning is a
8 Nevada company that promotes carpet cleaning and other surface cleaning services
9 in this and other jurisdictions using Zerorez's trademarks.

10 27. On information and belief and based on the similarity of their websites
11 and involvement of similar individuals, Defendant Zero Residue Carpet Cleaning and
12 Defendant 0Residue Carpet Cleaning are affiliated or operated as a single entity.

13 28. On information and belief, Defendant Genesis Carpet & Upholstery is a
14 Nevada company that promotes carpet cleaning and other surface cleaning services
15 under the name 0Residue Carpet Cleaning and is one of several entities that provides
16 carpet cleaning technicians to consumers that pose as Zerorez carpet cleaning
17 technicians.

18 29. On information and belief, Defendant Dquan Hoskins is an owner of
19 Defendant Zero Residue Carpet Cleaning.

20 30. On information and belief, Defendant Nathan Levy is an owner of
21 Defendant 0Residue Carpet Cleaning.

22 31. On information and belief, Defendant Josue David Cortez Amaya is an
23 owner of Defendant 0Residue Carpet Cleaning.

24 32. On information and belief, Defendants Oren Livene and Ofir Asis own
25 and operate the websites www.zeroresiduecarpetcleaningca.com and
26 www.zeroresiduecarpetcleaninglv.com (the "0 Residue Websites"), which are used
27 to market carpet cleaning and other surface cleaning services (collectively, the "0
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1 Residue Services”). Attached hereto as Exhibit B are true and correct copies of
2 screenshots of the 0 Residue Websites.

3 33. Defendants are using the Zero Residue trademark and potentially other
4 Zerorez Marks or marks so similar that they have the same commercial impression
5 (the “Infringing Marks”), in connection with the advertising, promotion, and sale of
6 the 0 Residue Services.

7 34. Attached as Exhibit C is a customer complaint posted on the Better
8 Business Bureau profile for Genesis Carpet Cleaning where the customer expressed
9 that he thought he was doing business with Plaintiff Zerorez.

10 35. On information and belief, Defendants adopted and began using the
11 Infringing Marks with knowledge of Zerorez’s business, the Zerorez Marks, the
12 Zerorez Registrations, and the Zerorez Services.

13 36. Zerorez’s trademark rights by virtue of the use of its Zerorez Marks
14 since at least as early as 2003 are senior to any rights that the Defendants may allege
15 to have in the Infringing Marks.

16 37. Zerorez has not authorized any of the Defendants to use the Infringing
17 Marks or any similar variations.

18 38. Despite Zerorez’s requests, Defendants continue to use the Infringing
19 Marks.

20 39. On information and belief, Defendants Dquan Hoskins, Nathan Levy,
21 Josue David Cortez Amaya, Oren Livene, and Ofir Asis (the “Individual
22 Defendants”), are principals of Zero Residue Carpet Cleaning and/or 0Residue
23 Carpet Cleaning (collectively “0 Residue”) and have directed, controlled, ratified,
24 participated in, and are the moving force behind the infringing and improper activity
25 alleged herein.

26 40. On information and belief, the Individual Defendants, at a minimum,
27 have comingled their personal funds with those of 0 Residue, share personal bank
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1 accounts with 0 Residue, share personal accounting records with those of 0 Residue,
2 have no operating agreements for 0 Residue, have failed to fulfill corporate
3 formalities with respect to 0 Residue, and have undercapitalized 0 Residue for its
4 operating needs. In other words, there is such a unity of interest and ownership
5 between 0 Residue and the Individual Defendants that the separate personalities of 0
6 Residue and the Individual Defendants no longer exist, and the observance of the
7 corporate form would promote injustice or otherwise allow for an inequitable
8 outcome of this lawsuit.

9 **FIRST CAUSE OF ACTION**

10 **(Federal Trademark Infringement – 15 U.S.C. § 1114(1))**

11 41. Zerorez repeats, realleges, and incorporates the preceding paragraphs as
12 though fully set forth herein.

13 42. Zerorez's trademark rights are senior to any rights that the Defendants
14 may allege to have in the Infringing Marks because the Defendants own no trademark
15 filings for the Infringing Marks and did not use the Infringing Marks in commerce
16 prior to the filing dates and first dates of use of the Zerorez Registrations and Zerorez
17 Marks.

18 43. Defendants' unauthorized use of the Infringing Marks in interstate
19 commerce in connection with the 0 Residue Services constitutes trademark
20 infringement in violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1).

21 44. Defendants' Infringing Marks, e.g., "0 Residue" and "Zero Residue" are
22 identical or nearly identical to the Zerorez Marks, e.g., "Zero Residue," and the 0
23 Residue Goods and Services are identical or highly related to the Zerorez Services
24 protected under the Zerorez Registrations.

25 45. Defendants' use of the Infringing Marks in interstate commerce is likely
26 to cause confusion, or to cause mistake, or to deceive consumers of the 0 Residue
27 Goods and Services and the Zerorez Goods and Services, who are likely to believe
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1 erroneously that the 0 Residue Services originate from the same source as the Zerorez
2 Services, or are otherwise affiliated, connected, or associated with Zerorez, or
3 sponsored or approved by Zerorez.

4 46. On information and belief, Defendants have knowingly and willfully
5 infringed Zerorez's trademark rights with the express intent to trade on the substantial
6 goodwill in the Zerorez Marks.

7 47. The Individual Defendants are personally liable for these violations of
8 the Lanham Act since they directed, controlled, ratified, participated in, and are the
9 moving force behind the improper activity alleged under the First Cause of Action.

10 48. Zerorez has no adequate remedy at law. Defendants' conduct as alleged
11 herein has caused and, if not enjoined, will continue to cause irreparable harm to
12 Zerorez's rights in the Zerorez Marks and Zerorez Registrations and to its business
13 reputation and goodwill, as well as damages in an amount that cannot be accurately
14 computed at this time, but will be proven at trial.

15 49. By reason of the foregoing, Zerorez asserts a claim against Defendants
16 for injunctive and monetary relief pursuant to Sections 32, 34, and 35 of the Lanham
17 Act, 15 U.S.C. §§ 1114, 1116 and 1117.

18 **SECOND CAUSE OF ACTION**

19 **(Federal Unfair Competition - 15 U.S.C. § 1125(a))**

20 50. Zerorez repeats, realleges, and incorporates by reference the preceding
21 paragraphs as though fully set forth herein.

22 51. Zerorez's trademark rights are senior to any rights that the Defendants
23 may allege to have in the Infringing Marks because Zerorez owns common law
24 trademark rights in the Zerorez Marks in connection with the Zerorez Services, which
25 are highly similar to the 0 Residue Services and which predate the Defendants' first
26 use date of, and any other rights they have in, the Infringing Marks.

1 52. Defendants' use of the Infringing Marks in interstate commerce, in
2 connection with the 0 Residue Services, constitutes trademark infringement and
3 unfair competition against Zerorez's rights in the Zerorez Marks pursuant to
4 15 U.S.C. § 1125(a)(1)(A).

5 53. Defendants' Infringing Marks, e.g., "0 Residue" and "Zero Residue" are
6 nearly identical to the Zerorez Marks," e.g., "Zero Residue," and the 0 Residue
7 Services are identical or highly related to the Zerorez Services protected under the
8 Zerorez Marks.

9 54. Defendants' use of the Infringing Marks in interstate commerce is likely
10 to cause confusion, or to cause mistake, or to deceive consumers of the 0 Residue
11 Services and the Zerorez Goods and Services, who are likely to believe erroneously
12 that the 0 Residue Services originate from the same source as the Zerorez Goods and
13 Services, or are otherwise affiliated, connected, or associated with Zerorez, or
14 sponsored or approved by Zerorez.

15 55. Defendants' use of the Infringing Marks in interstate commerce has
16 caused actual confusion and/or deception regarding whether the 0 Residue Services
17 originate from or are affiliated with Zerorez. See Ex. C.

18 56. The Individual Defendants are personally liable for these violations of
19 the Lanham Act since they directed, controlled, ratified, participated in, and are the
20 moving force behind the improper activity alleged under the Second Cause of Action.

21 57. Zerorez has no adequate remedy at law. Defendants' conduct as alleged
22 herein has caused and, if not enjoined, will continue to cause irreparable harm to
23 Zerorez's rights in the Zerorez Marks and to its business reputation and goodwill, as
24 well as damages in an amount that cannot be accurately computed at this time, but
25 will be proven at trial.

26 58. By reason of the foregoing, Zerorez is entitled to damages and injunctive
27 relief against the Defendants.
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DENTONS US LLP
601 SOUTH FIGUEROA STREET, SUITE 2500
LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

THIRD CAUSE OF ACTION

(Federal Trademark Dilution in Violation of 15 U.S.C. §1125(c))

59. Zerorez repeats, realleges, and incorporates by reference the preceding paragraphs as though fully set forth herein.

60. The Zerorez Services offered under the Zerorez Marks have been used and/or consumed by millions of people and have been the subject of significant third-party media coverage, extensive sales, advertising, and promotion. Specifically, Zerorez's "ZEROREZ," "ZERO RESIDUE," "NO RESIDUE," and "RESIDUE FREE" marks are famous among the general consuming public and became famous before Defendants' first use of the Infringing Marks. As a result, Defendants' use of the Infringing Marks causes, or will likely cause, dilution of the distinctive quality of the ZEROREZ mark with consequent damage to Zerorez and the public.

61. On information and belief, Defendants' conduct alleged herein has been undertaken willfully and maliciously, and with full knowledge and intent to trade on the goodwill in the ZEROREZ mark.

62. The Individual Defendants are personally liable for these violations of the Lanham Act since they directed, controlled, ratified, participated in, and are the moving force behind the improper activity alleged under the Third Cause of Action.

63. By reason of the foregoing, Zerorez is entitled to damages and injunctive relief against Defendants.

FOURTH CAUSE OF ACTION

(Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*)

64. Zerorez repeats, realleges, and incorporates the preceding paragraphs as though fully set forth herein.

65. Defendants' unauthorized commercial use of the Infringing Marks is likely to cause confusion, to cause mistake, or to deceive the public as to whether

1 Defendants are affiliated, connected, or associated with Zerorez and/or as to whether
2 Zerorez sponsored or approved of Defendants' activities.

3 66. Defendants' acts constitute an intentional business act or practice that is
4 unlawful, unfair, or fraudulent, leads to a material diminution in value of intellectual
5 property, and is an infringement of the Zerorez Marks and/or Zerorez's trade name
6 in violation of Ca. Bus. & Prof. Code. §§ 17200, *et seq.*

7 67. Zerorez has suffered the deprivation of money in the form of lost
8 customers who would have otherwise purchased the Zerorez Services were it not for
9 Defendants' use of the Infringing Marks.

10 68. The Individual Defendants are personally liable for these violations
11 since, on information and belief, they have taken actions that justify the piercing of
12 the corporate veil.

13 69. By reason of the foregoing, Zerorez is entitled to injunctive relief and
14 damages against Defendants, including an award of costs, attorneys' fees, and
15 punitive damages pursuant to Utah Code Ann. § 13-5a-101(1)(b).

16 **FIFTH CLAIM**

17 **(Common Law Trademark Infringement)**

18 70. Zerorez realleges and incorporates by reference the preceding
19 paragraphs as though fully set forth herein.

20 71. Zerorez owns and enjoys common law trademark rights in the Zerorez
21 Marks in California and throughout the United States.

22 72. Defendants' unauthorized use of the Infringing Marks constitutes
23 trademark infringement and has caused, and is likely to continue to cause, confusion,
24 deception, and mistake among the consuming public as to the source of, and
25 authorization for, the 0 Residue Services sold and/or advertised by Defendants in
26 violation of the common law of the State of California.

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1 use of the Infringing Marks causes, or will likely cause, blurring of the Zerorez Marks
2 and Infringing Marks and tarnishing of the distinctive quality of the Zerorez Marks.

3 80. On information and belief, Defendants' conduct alleged herein has been
4 undertaken willfully and maliciously, and with full knowledge and intent to trade on
5 the goodwill in the Zerorez Marks.

6 81. The Individual Defendants are personally liable for these violations
7 since, on information and belief, they have taken actions that justify the piercing of
8 the corporate veil.

9 82. By reason of the foregoing, Zerorez is entitled to injunctive relief,
10 damages, and punitive damages, under Utah Code Ann. § 70-3a-403, *et seq.*

11 **PRAYER FOR RELIEF**

12 WHEREFORE, Zerorez demands judgment against Defendants, as follows:

13 A. That the Court enter a finding that Defendants' use of the Infringing
14 Marks infringes on Zerorez's rights in the Zerorez Marks and Zerorez Registrations;

15 B. That the Court enter a preliminary injunction and a permanent injunction
16 prohibiting Defendants, as well as their officers, directors, predecessors, successors,
17 agents, employees, representatives, and all persons, corporations, or other entities
18 acting in concert or participation with Defendants form:

- 19 i. Using Defendants' Infringing Marks in connection with any of the
20 0 Residue Services in California and throughout the United States;
- 21 ii. Infringing any of Zerorez's intellectual property rights in the Zerorez
22 Marks and Zerorez Registrations;
- 23 iii. Engaging in any conduct that tends falsely to represent, or is likely to
24 confuse, mislead, or deceive members of the public to believe, that the
25 actions of Defendants or any of their officers, directors, predecessors,
26 successors, agents, employees, representatives, and all persons,
27 corporations, or other entities acting in concert or participation with
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1 Defendants are sponsored, approved, or licensed by Zerorez, or are in
2 any way connected or affiliated with Zerorez;

3 iv. Affixing, applying, annexing, or using in connection with
4 the manufacture, distribution, advertising, sale, and/or offering for sale
5 or other use of any goods or services, a false description or
6 representation, including words or other symbols, tending to falsely
7 describe or represent such goods or services as being those of Zerorez,
8 including without limitation the Zerorez Marks;

9 v. Otherwise competing unfairly with Zerorez in any matter; and

10 vi. Effecting assignments or transfers, forming new entities or associations,
11 or utilizing any other device for the purpose of circumventing or
12 otherwise avoiding the prohibitions set forth in subparagraphs (i)-(v)
13 above.

14 C. That the Court enter a finding that Defendants' actions were willful,
15 deliberate, and malicious;

16 D. That the Court award Zerorez damages in accordance with applicable
17 law, including without limitation three times the amount of any and all profits
18 realized by Defendants from the use of the Infringing Marks in accordance with 15
19 U.S.C. § 1117(a);

20 E. That the Court award Zerorez punitive damages in an amount
21 sufficient to punish and deter Defendants;

22 F. That the Court find that this is an exceptional case and award Zerorez
23 its reasonable attorneys' fees and costs of suit pursuant to 15 U.S.C. § 1117(a) and/or
24 California law;

25 G. That the Court retain jurisdiction of this action for the purpose of
26 enabling Zerorez to apply to the Court at any time for such further orders and
27 interpretation or execution of any order entered in this action, for the modification of
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1 any such order, for the enforcement or compliance therewith, and for the punishment
2 of any violations thereof; and

3 H. For such other and further relief as the Court may deem just and
4 equitable.

5 **JURY DEMAND**

6 Pursuant to Fed. R. Civ. P. 38, Zerorez hereby demands a trial by jury.

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8 Dated March 18, 2024

DENTONS US LLP
Nicholas B. Janda

10 DENTONS DURHAM JONES PINEGAR, P.C.
11 Clinton E. Duke
12 John R. Richardson

13
14 /s/ Nicholas B. Janda
Nicholas B. Janda

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16 *Attorneys for Plaintiffs*
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